



**U.S. Department of Justice**

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## **NEWS RELEASE**

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced the guilty plea today of Rahim A. Bariiek, age 46, of Herndon, Virginia, before the Honorable James C. Cacheris, United States District Judge. Bariiek pleaded guilty to operating an illegal money transmittal business that wired millions of dollars to overseas locations, including Iran, Pakistan, and Afghanistan between 2001 and 2003. He faces a maximum sentence of five years when sentenced on July 29, 2005.

On April 3, 2005, a federal grand jury in Alexandria, Virginia, indicted Bariiek, the owner/operator of Bariiek Money Transfer, for operating a transmittal business without a money transmitting license from the Virginia State Corporation Commission as required by law. Bariiek and his business received at least \$4.9 million in funds from individuals wishing to transfer money out of the United States from November 1, 2001, until August 8, 2003. In furtherance of Bariiek's money transmitting business, those funds were deposited in five bank accounts controlled by Bariiek.

He also caused approximately \$4.9 million to be transferred to individuals in various Middle East nations, including Afghanistan, Pakistan and Iran, without a money transmitting license from the Virginia State Corporation Commission as required by law.

On November 14, 2001, Bariiek testified before the U.S. Senate Committee on Banking, Housing and Urban Affairs, Subcommittee on International Trade and Finance, concerning hawalas and underground terrorist financing mechanisms. Among other things, Bariiek told lawmakers, "I pay taxes on my hawala business and I comply with the law. I am happy to comply with the new federal law, which you wrote, and to register and to file suspicious activity reports. I believe that all legitimate hawala will be happy to comply. It is upsetting to us that there are hawala used for illegal activity. They give all hawala a bad name."

Mr. McNulty stated: "The first priority of law enforcement is to prevent terrorism. That is why we are cracking down on illegal financial systems that could be used to supply money to terrorists."

Also making this announcement are Allan J. Doody, Special Agent-in-Charge for U.S. Immigration and Customs Enforcement (ICE) Washington, D.C., and Charles Pine, Special Agent-in-Charge for Internal Revenue Service Criminal Investigations Division (IRS-CID).

This case was investigated by the US Bureau of Immigration and Customs Enforcement and the Internal Revenue Service, Criminal Investigations Division, and prosecuted by Assistant United States Attorney David Laufman and Special Assistant Jessica Lombardo.

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